

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)**

IN RE:

Ronnie Gene Gollehon

Debtor

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Case No. 11-34874 - DER

Chapter 7

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**TRUSTEE’S MOTION TO SELL DEBTOR’S UNIMPROVED LOT LOCATED AT
3015 DALRYMPLE ROAD, SUNDERLAND, MARYLAND 20689**

Sean C. Logan, Chapter 7 Trustee (the “Trustee”) in the above-captioned bankruptcy estate (the “Estate”) of Ronnie Gene Gollehon (the “Debtor”), applies to this Honorable Court for authority to sell the Debtor’s unimproved lot (the “Motion”) pursuant to 11 U.S.C. §§ 363(b) respectfully represents:

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334, 11 U.S.C. § 363 and Local District Court Rule 402.
2. Venue in this Court is proper pursuant to 28 U.S.C. § 1409.
3. This Motion constitutes a core proceeding within the meaning of 28 U.S.C. §157.
4. The Debtor filed a voluntary petition for relief under Chapter 7 of the Bankruptcy Code on December 26, 2011 (the “Petition Date”).
5. Sean C. Logan was appointed as Trustee of the Estate pursuant to 11 U.S.C. § 702(d) shortly after the Petition Date.
6. Among the assets in this Estate is a 1.5 acre unimproved lot located at 3015 Dalrymple Road, Sunderland, Maryland 20689 (the “Property”) in Calvert County, Maryland. The Debtor is the sole owner of the Property.

7. The Debtor valued the Property in the amount of \$45,000.00 on his Amended Schedule A filed with this Court on May 28, 2012 (Doc. 56). The Maryland State Department of Assessments and Taxation values the lot in the amount of \$132,500.00 as of July 1, 2015. In October 2014, the Property was originally listed for sale in the amount of \$75,000.00. In early February 2015, the listing price was lowered to \$50,000.00. The Trustee has received a full price offer to sell the Property for \$50,000.00. This is the only and best offer the Trustee has received since the Property was first listed in October 2014.
8. According to the Debtor's Schedule D, there is no secured lien on the Property. The Trustee researched the Property on Maryland Land Records for Calvert County and no liens are recorded¹. The Trustee also researched the Debtor on the Maryland Judiciary website and no tax liens or judgments are recorded against the Debtor in the county in which the Property is located.
9. On February 12, 2015, the Trustee was presented with an Unimproved Land Contract of Sale, pending approval of this Court, from Brian and Jessica Himes (the "Buyers") in the amount of \$50,000.00. The Unimproved Land Contract of Sale is attached hereto as **Exhibit A**.
10. The Trustee has retained the services of Darlene Hartsock and RE/MAX Executive as a professional and local real estate agent to market and sell the Debtor's unimproved lot on behalf of the Estate. On September 26, 2014, the Trustee filed an Application to Employ Darlene Hartsock and RE/MAX Executive as Real Estate Agent (Doc. 136) and an Order granting that Application was entered on October 15, 2014 (Doc. 138). This specific sale

¹ On March 10, 2014, post-petition, the Debtor's divorce attorney, Robert J. Goldman of Finkelstein & Goldman, P.C. filed a Deed of Trust recording a lien against the Property in the amount of \$32,885.25. The Debtor's divorce attorney was unaware of the present bankruptcy case. He has been contacted by the Trustee and the Deed of Trust will be released and removed from Maryland Land Records. The Property remains unencumbered.

proposes the payment of a sales commission to Darlene Hartsock in the approximate amount of \$3,000.00 (6% of the sales price) serving as the Trustee's real estate agent.

11. The Debtor has not claimed any exemption from any equity produced in any sale of the Property.

12. The Trustee is requesting approval of the following terms and conditions:

1. The Property will be sold to the Buyers for \$50,000.00;
2. Darlene Hartsock and RE/MAX Executive will be paid approximately \$3,000.00 (6% of the sales price) as commission for serving as the Trustee's real estate agent;
3. Closing costs will be split in half between the Trustee and the Buyers. The Trustee anticipates paying approximately \$3,000.00 in closing costs;
4. The remaining balance of the sale proceeds in the approximate amount of \$44,000.00 will be paid to the Estate for the benefit of priority and unsecured creditors and administrative claimants; and
5. Trustee is authorized to execute all necessary documents at settlement.

13. The Debtor scheduled approximately \$119,675.00 in unsecured debt. The bar date expired May 17, 2012. As of that date, there were timely filed priority claims totaling \$114,599.00 and unsecured claims totaling \$1,502,810.44.

14. Priority claim no. 11 is in the amount \$111,000.00, filed on behalf of Roswitha Gollehon (the Debtor's ex-spouse). On January 9, 2013, the Trustee objected to this priority claim (Doc. 87). On April 26, 2013, this Court entered an Order sustaining the Trustee's objection and denying the claim in its entirety (Doc. 95).

15. Unsecured claim no. 13, in the amount of \$1,400,000.00, filed on behalf of Ronald Jones (the Debtor's previous business partner) was withdrawn on April 3, 2014 (Doc. 120).

16. The Trustee filed an Interim Final Report on February 9, 2015 (Doc. 147) which includes a payment in full to the IRS for their priority claim in the amount of \$982.00, partial payments

to unsecured creditors in the amount of \$76,239.31 and partial payment of Trustee commission in the amount of \$51,602.69. Once the Interim Final Report is approved and the funds are distributed pursuant to the Proposed Distribution, the Trustee will have approximately \$94,000.00 on hand. As a result of this sale, the Trustee hopes to have enough funds to pay the remaining unsecured claims in full, administrative claims and the anticipated 2014 and 2015 tax obligations for the Estate.

17. The Buyers have no prior relationship with the Trustee and are good faith purchasers for value for purposes of 11 U.S.C. § 363(m).
18. The proposed sale according to the Unimproved Land Contract of Sale does not include the transfer to the Buyers of any of the Debtor's personal property that is a part of the bankruptcy Estate.
19. The Trustee believes that the sale of the Property is in the best interest of the bankruptcy Estate and its creditors.
20. Pursuant to Local Bankruptcy Rule 9013-2, no memorandum of law in support of this Motion will be filed, but the Trustee will rely solely upon the Motion.

WHEREFORE, the Trustee respectfully requests that this Court enter an Order authorizing the Trustee to do the following:

- A. Sell the Property pursuant to the Unimproved Land Contract of Sale to Brian and Jessica Himes in the amount of \$50,000.00; and
- B. Pay Darlene Hartsock and RE/MAX Executive approximately \$3,000.00 (6% of the sales price) as commission for serving as Trustee's real estate agent;
- C. Split the closing costs in half between the Trustee and the Buyers and authorize the Trustee to pay approximately \$3,000.00 in closing costs;
- D. To retain the remaining balance of the sale proceeds in the approximate amount of \$44,000.00 for the benefit of the remaining unsecured creditors and administrative claims;

E. Grant such other and further relief as this Court may deem just and equitable under the circumstances.

/s/ Sean C. Logan
Chapter 7 Trustee
Law Offices of Sean C. Logan, Esq.
2530 Riva Road, Suite 400
Annapolis, Maryland 21401
(443) 569-5968 Office
scl@logan-law.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY on the 19th day of February, 2015, a copy of the foregoing Motion to Sell Debtor's Unimproved Lot was served, electronically through the Court's CM/ECF transmission facilities, as authorized by Local Bankruptcy Rule 9013-4 (a), on each party registered as a CM/ECF participant who has consented to electronic service and, if not a party registered as a CM/ECF participant, then by first-class mail, postage prepaid, fully addressed, upon the following interested parties:

Ronnie Gollehon
11112 Forest Night
Live Oak, TX 78233
(Debtor)

Brian and Jessica Himes
8003 Delores Court
Chesapeake Beach, MD 20732
(Buyers)

Robert J. Goldman
Finkelstein & Goldman, P.C.
7315 Wisconsin Avenue, Suite 400 East
Bethesda, MD 20814

Office of the U.S. Trustee
Garmatz Federal Courthouse
101 West Lombard Street, Suite 2625
Baltimore, Maryland 21201
Katherine.A.Levin@usdoj.gov (electronic)

/s/ Sean C. Logan
Sean C. Logan, Trustee